

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:3402

ANSWERED ON:23.12.2008

EXCISE DUTY EXEMPTION FOR CEMENT INDUSTRY IN THE NORTH EAST

Bhargav Shri Girdhari Lal

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether a large number of investors are keen to invest in the cement industry in North-East because of exemption of excise duty;
- (b) if so, the details thereof;
- (c) whether the Government of India proposes to withdraw this incentive;
- (d) if so, the reasons therefor;
- (e) whether the North-Eastern States especially Meghalaya has large deposits of limestone and coal which are exported to Bangladesh without any value addition;and
- (f) if so, the details thereof and the steps taken to ensure value addition to these precious natural resources?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI ASHWANI KUMAR)

(a) & (b): Yes, Sir. 29 Industrial Entrepreneurs Memorandum have been filed for setting up Cement based industries during the period April, 2007 to November, 2008, as per the details given below:-

States	Number	Investment	Employment
	(Rs. In Cr.)		

Assam	11	800	10839
Meghalaya	14	4045	10129
Sikkim	04	31	4845

(c) & (d): No, Sir.

(e) & (f): Among the North Eastern States, Meghalaya has the largest deposit of Limestone and Coal, which are exported to Bangladesh as per the value declared by the exporters on the basis of Letter of Credit (LC).

The quantity of limestone and coal exported and the value involved during the last three years is as follows:-

Year	Limestone	Coal		
	Quantity	Value	Quantity (MT)	Value (Rs. in crore)
	(MT)	(Rs. in crore)		

2006-07	1135667.100	31.78	1254777.334	249.58
2007-08	972738.000	28.01	1292112.835	241.00
2008-09	1550907.000	54.76	656898.800	290.45

(upto
November)

The goods exported are in raw form and without any further processing.